

To: Dykes, Teresa[Dykes.Teresa@epa.gov]; Fried, Gregory[Fried.Gregory@epa.gov]
From: Chapman, Apple
Sent: Sun 2/25/2018 8:33:27 PM
Subject: Fwd: OAR draft guidance on "Project Netting" -- Process Problems and Substantive Concerns
[Draft Project Netting Guidance Memorandum 022318.docx](#)
[ATT00001.htm](#)

FYI

Please send touch base with Phill on Monday and then send our comments forward. Thanks.

Sent from my iPhone

Begin forwarded message:

From: "Brooks, Phillip" <Brooks.Phillip@epa.gov>
Date: February 25, 2018 at 2:29:53 PM EST
To: "Traylor, Patrick" <traylor.patrick@epa.gov>, "Kelley, Rosemarie" <Kelley.Rosemarie@epa.gov>
Cc: "Chapman, Apple" <Chapman.Apple@epa.gov>
Subject: OAR draft guidance on "Project Netting" -- Process Problems and Substantive Concerns

Patrick

I assume you have the attached draft guidance/policy form OAR on allowing "Project Netting." The process for review of these issues is in need of significant adjustment.

OCE's representative on the workgroup for the "project accounting rule" (fka project netting rule) were told at the first (and only) meeting on Feb. 15 that any rule on "project accounting" would not be finalized until this summer. At that meeting, OAR said that the only guidance EPA was issuing in the near term addressed the concept at exiting units only (i.e., the response to Limetree Bay Terminal regarding the old Hovensa facility). Thus, the attached guidance received on Friday, February 23 comes as a complete surprise. We have been instructed to identify any "heartburn" we have by COB Monday, February 26. As you know, I was on travel until Friday night, and in the interim learned that I need to participate in a meeting Monday morning with the Southern States Energy Board.

AED has have a couple of initial fundamental concerns about this memo:

